(c) Completion of the projects would depend upon the overall availability of financial resources.

Investment by ADB

1145. SHRI R. P. GOENKA: will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that the Asian Development Bank (ADB) has agreed to invest about one billion dollars in the Indian Railway system outlined for the "Railway Sector Improvement Programme", with a reform target fixed for 2010, and linked' its phased support to completion of reforms by the Railways;

(b) whether ADB has also appointed Crisil as advisors to monitor implementation of the reforms agenda; and

(c) if so, the details thereof, including the phased reforms programme outlined and agreed to by the Railways and the specific role assigned to Crisil?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R VELU): (a) Asian Development Bank (ADB) has agreed to extend an assistance for the railway sector in 3 phases, with the quantum in the first 2 phases amounting to around US dollar 600 million. The objective of the assistance is to improve the performance of the sector by (i) financing priority investments to overcome railway capacity bottlenecks and improve operational efficiency/safety and (ii) supporting implementation of a program of reforms formulated by the Ministry of Railways (MOR) to improve Indian Railway's commercial orientation. In Phase-I, a loan amount of US Dollar 313.6 million has been approved. Subsequent phases of the loan are linked to the implementation of MOR's reform programme over the period from 2002 to 2010.

(b) and (c) CRISIL Infrastructure Advisory has been appointed as the Consultant by ADB under a Technical Assistance (TA) grant, outside the loan, for providing Management Consulting Services to Ministry of Railways. The objective of the TA is to study (i) business development and business opportunities and (ii) progress of implementation of the reform programme.

The components of the reform programme formulated by MOR and accepted by ADB are as under:

(i) Establish a computerised accounting system capable of providing existing government accounts and commercial accounts with breakdowns by main lines of business and by main services

(ii) Outsource non-core activities

(iii) Introduce concessioning for operating some uneconomic branc , lines

(iv) Delineate social and commercial objectives and identify Public Service Obligation (PSO)

(v) Tariff rationalisation

(vi) Right-sizing of staff strength

(vii) Restructuring of production units

(viii) Re-engineering internal business processes and customer interface

(ix) Strengthening investment planning.

Streamlining of Purchase System

1146. SHRI AMAR SINGH: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have now decided to streamline the purchase system of the Railways to curb the scope of corruption and role of tender mafia;

(b) if so, the details thereof; and

(c) by when the proposal, if any, is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU): (a) On Railways, a well-established & time-tested system of procurement is followed where detailed instructions regarding issue of tenders, settlement of tenders etc. exist. However, a number of system improvements in purchase system are being introduced in order to have enhanced level of transparency and to plug the possible loopholes in the Railway purchase system.

(b) and (c) Procurement calendar, tender notices, tender documents